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August 17, 2010

Paul Baker Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

Paul Baker:

Re: Notice of Maintenance Activities for One Vent Hole Associated with the La Sal/Snowball Mines (M/037/026) and update on Mine Ventilation Bond Status.

This letter is to serve as notification that Denison Mines (USA) Corp. will be performing maintenance operations on the 2200 vent at the La Sal/Beaver Shaft complex, now called Vent #2200-36-28-24. This existing vent is located on private property and has collapsed. In September of 2007, Denison proposed similar maintenance activities on three other vents associated with the La Sal Mines.

Due to the number of vents currently existing at the La Sal Mines, further clarification on bonding may be appropriate at this time. In 2005, Denison worked closely with UDOGM to evaluate the bonded vents at the La Sal complex and determined that a total of 21 bonded vents existed at the site (see enclosed table and figure). One additional vent hole was added to the bond during maintenance activities in August of 2005 bringing the total to 22 bonded vents. Finally, two vents were added and approved in 2007 and seven vents were bonded and approved in 2009, bringing the total to thirty one vents as provided in the enclosed table.

In a recent effort, Denison has submitted a Notice of Intent for Large Mining Operations to combine the operations at the La Sal Mine Complex Mines, and due to possible naming confusion, plans to rename each vent based on their location in the mine workings and their location on the surface as outlined in the enclosed table. Each vent will have a vent number associated with the mine workings location, followed by the Section, Township, and Range.

The disturbed area for the 2200 vent hole is approved and bonded under the La Sal/Snowball Mine permit and this letter serves as notification only of vent maintenance and the renaming of the La Sal Mine Complex Vents. One test hole will need to be drilled between the collapsed/closed hole and the planned vent location (see enclosed figure) to ensure that the ground is stable prior to drilling the vent.

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DIV. OF OIL, GAS & MINING

Please contact me directly if you have any questions or would like additional information 303.389.4136.

Respectfully,

Christy Woodward

Environmental Coordinator

Churty Woodward

Denison Mines Corp.

CC:

Denison File

Ted McDougal, Marie McGann, David Skinner, US Bureau of Land Management

Terry V. Wetz



31	30	29	28	27	26	25	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	ω	2		Vent #	
1-09*	2-09*	4-09*	2500-3	2500-2	2500-1	Pandora #12	Pandora #11	Pandora #10	Pine Ridge - Pandora #9	Un-named 40" vent Pandora #5	Snowball #4 Vent	Un-named 7' vent (1672 - Pandora #8)	Snowball #1 - 40"	Un-named Vent (30" hole)	Snowball #3 vent	Snowball #6 Vent	Snowball #2	Snowball #5 Vent	2300 #2 Vent	2300 #1 Vent	Un-named 7' vent (Pandora #7)	2200 Vent	500 Vent	700 Vent	900 Vent	1050 Vent	1280 Vent	1350 Vent	1800 Vent	2400 Vent	Vent Shaft	
Eastern most vent in Section 5, on Section line.	Center of NE quarter of Sec. 5	SE of NE quarter of Sec. 6	North of western most vent in SE 1/4 of Sec. 34	South of western most vent in SE 1/4 of Sec. 34	Central vent in SE 1/4 of Sec. 34	SE 1/4 of the NE 1/4 of Sec. 6	NE 1/4 of the NW 1/4 of Sec. 5	SW 1/4 of the NW 1/4 of Sec. 5	Easternmost vent, in edge of Sec. 5	East vent of cluster in N. Sec. 6	Main cluster north-center Sec. 6	North vent in cluser N. Sec. 6	West vent in cluster N. Sec. 6	SE/SW Sec. 31, close to Sec. 31/6 line	1800' east of Snowball portal	Off SE edge of Snowball dump	1800; N. of Snowball portal, on Sec. 36, 31 line	NE/NE Sec. 1, 1500 NW of Snowball Portal	Midway between La Sal & Pandora Portals	1500' NE of La Sal portal	S. of highway, NE/NW Sec. 1	N. of highway, SE/SW Sec. 36	N. of highway, close to SW corner of Sec. 36	N. of highway, close to NE corner of Sec. 2	Off east end of East Beaver Waste Dump	West edge of east Beaver Waste Dump	200' south of Beaver Shaft	400' southwest of Beaver Shaft	1250' west of Beaver Shaft	SE Sec. 34, near Section line	Location	
XXXX - 5-29-25	XXXX - 5-29-25	XXXX - 6-29-25	2500 #3 - 34-28-24	2500 #2 - 34-28-24	2500 #1 - 34-28-24	4014-6-29-25	4500-5-29-25	4013-5-29-25	5000 #3-5-29-25	5000 #2-6-29-25	4000 #2-6-29-25	4100 #2-6-29-25	5000 #1-6-29-25	4100 #1-31-28-25	4000 #1-6-29-25	3000 #4-6-29-25	3000 #3-36-28-24	3000 #2-1-29-24	2300 #2-1-29-24	2300 #1-1-29-24	3000 #1 -1-29-24	2200-36-28-24	500-36-28-24	700-36-29-24	900 #2 - 35-28-24	1050-35-28-24	1280-2-29-24	1301-2-29-24	1800-35-28-24	2400-34-28-24	New Name	La Sal Vent
Pandora	Pandora	Pandora	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	Pandora	Pandora	Pandora	Pandora	Pandora	Pandora	Pandora	Pandora	La Sal/Snowball	Pandora	Pandora	La Sal/Snowball	Pandora	La Sal/Snowball	La Sal/Snowball	Pandora	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	La Sal/Snowball	Permit/Mine	a Sal Vent Naming Table
Bonded 2009	Bonded 2009	Bonded 2009	Bonded 2009	Bonded 2009	Bonded 2009	Bonded 2009	Bonded in 2007	Bonded in 2007	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bonded as of 2005	Bond Status	
Not yet drilled	Not yet drilled	Not yet drilled	Not yet drilled	Not yet drilled	Active	Active	Active	Active	Active	Active	Reclaimed	Active	Active	Active	Active	Active	Reclaimed	Active	Active	Active	Active	Proposed for Redrill 2010	Active	Collapsed	Active	Active	Reclaimed	Active	Active	Active	Active/InActive Status	
X = 2303952.0000	X = 2303135.0031	X = 2298575.9971	X = 2281677.3000	X = 2281815.5444	X = 2282147.0800	X = 2299027.8221	X = 2301856.5007	X = 2300778.5058	X = 2300645.0012	X = 2299027.8221	X = 2298237.7656	X = 2298135.6288	X = 2297850.8113	X = 2296949.3995	X = 2296856.1232	X = 2295370.6752	X = 2294935.8920	X = 2294029.6230	X = 2292516.9868	X = 2291604.5207	X = 2291746.4106	X = 2291329.0745	X = 2289994.9599	X = 2289245.6267	X = 2288321.4405	X = 2287237.8836	X = 2285653.4260	X = 2285291.2257	X = 2284278.7282	X = 2282799.6312		
Y = 10451526.0000 $Z = 7633.0000$	Y = 10451052.9199	Y = 10450019.9464	Y = 10452453.6284	Y = 10451576.6153	Y = 10451994.3900	Y = 10450828.8437	Y = 10450940.1730	Y = 10449781.0266	Y = 10450922.1583	Y = 10450828.8437	Y = 10450679.5100	Y = 10451321.6898	Y = 10450887.9661	Y = 10451683.3235	Y = 10449733.7548	Y = 10449717.2095	Y = 10452013.0932	Y = 10451290.7392	Y = 10448690.7379	Y = 10449537.3572	Y = 10450681.5919	Y = 10452278.4889	Y = 10451915.5831	Y = 10451200.9593	Y = 10451990.1909	Y = 10451676.5413	Y = 10451155.8703	Y = 10450992.3342	Y = 10451330.5863	Y = 10451272.3633	Coordinates NAD 83	
Z = 7633.0000	Z = 7554.0000	Z = 7215.0000	Z = 7131.0000	Z = 7082.0000	Z = 7070.0000	Z = 7238.8650	Z = 7533.4105	Z = 7462.0187	Z = 7350.1000	Z = 7238.8650	Z = 7282.8196	Z = 7342.0000	Z = 7288.7960	Z = 7258.0760	Z = 7371.5540	Z = 7164.1117	Z = 7378.6000	Z = 7362.0000	11	Z = 7049.4359	Z = 7198.4700	Z = 7319.0642	Z = 7229.9287	Z = 7118.9366	Z = 7127.8953	Z = 7084.1959	Z = 7068.2927	Z = 7056.8990	Z = 7066.9237	Z = 7046.4155		

^{*} These vents will be re-named when the mine workings reach into this area and the vents are installed.

